

## SATISFACTION LEVEL OF CUSTOMER OF UNORGANISED RETAIL STORES IN THE STUDY AREA (THENI DISTRICT)

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### ABSTRACT

The Indian retail marketplace is envisioned to be US\$ 1200 billion in 2021 and one of the highest 5 retail markets in the international via way economic value. The market size in India anticipated to amounted to 1.7 trillion U.S.\$ by 2026, up from 883 billion US\$ in 2020. While a generally increase as much as 2019, 2020 marked a lower because of the corona virus pandemic. However, the marketplace is envisioned to get better in 2021. It is one of the fast developing retail markets the international, with 7.9 billion people. India's retailing industry is basically owner manned small stores and employs approximately 138 crores people. India is the best us of a having the best keep density the international with eleven shops in keeping with a 1000 people. The Raise of Indian Consumer Market` estimates that the Indian Consumer marketplace is probably to develop 4 times of 2025. The present value of Indian retail marketplace is envisioned via way of means of the Indian Retail Report to be round Rs 12,00,000 Crores (\$ 270 billion) and the once a year growth rate is 5.7 percent.

**Keywords:** Customers satisfaction, Unorganised Retail Stores (kiran stores) & Pandemic

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### INTRODUCTION

Retailing in India is one of the pillars of Indian economic system and money owed for 14 to 15 percentage of its GDP. The Indian retail marketplace is expected to be US\$ 1200 billion in 2021 and one of the highest 5 retail markets the global with the aid of using economic value. The market size in India anticipated to amounted to 1.7 trillion U.S.\$ by 2026, up from 883 billion US\$ in 2020. While increase into stated up to 2019, 2020 marked a lower because of the corona virus pandemic. However, the marketplace is expected to get better in 2021. It is one of the fast developing retail markets the global, with 7.9 billion people. India's retailing enterprise is largely owned manned small stores and employs approximately 138 crores humans. India is the best country having the very best keep density the global with 11 shops in 1000 people.

A Mckinsay report, `The Raise of Indian Consumer Market` estimates that the Indian Consumer marketplace is possibly to develop 4 times by 2025. The present value of Indian retail market is expected by the Indian Retail Report to be round Rs 12,00,000 Crores (\$ 270 billion) and the once a year higher price is 5.7 percentage. Furthermore, round 15 million stores assist India win the crown of getting the very best retail outlet density the global. It is likewise expected that 21 million people are hired the retail region that's 7% of the entire country wide workfare while the worldwide common is round 10-12 percentage. It is in addition expected that a further 8 million jobs could be generated through direct and oblique employment associated with the retail region.

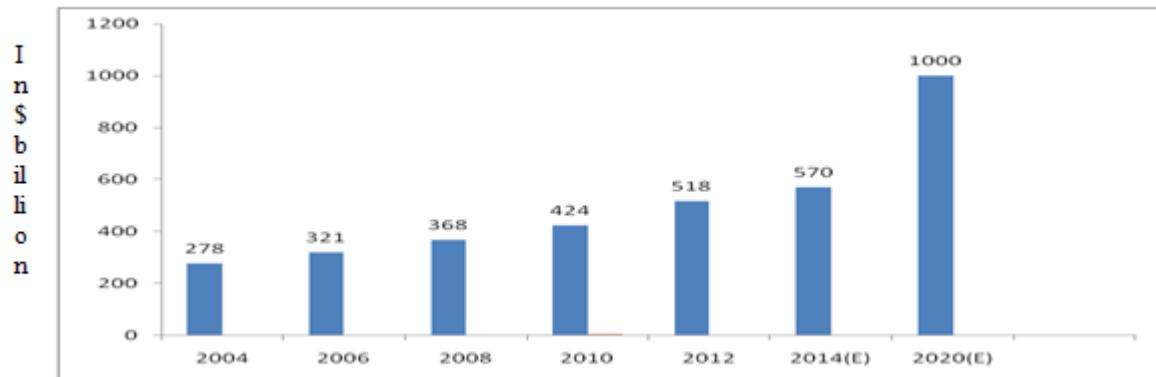
The Indian retail region is tremendously fragmented with 97% of its business being run with the help of using the unorganized outlets. The region is the most important supply of employment after agriculture, and has

deep penetration into rural India producing greater than 10 percentage of India's GDP.

There is a significant alternate in Indian retail, these days. The liberalization of the customer items enterprise initiated the mid-80's and improved through the 90's has started to impact the structure and accomplish of the retail industry. The Indian customer is converting rapidly. The average customer these days is richer, more youthful and greater aspirational in his or her desires than ever before. Consumers now handiness and preference on a par getting value for his or her hard earned money. A range of modern outlets try to serve the desires of the 'new' Indian customer. Today Indian customers need now no longer best shopping for however a complete purchasing experience. For this one of the essential elements accountable is alternate in lifestyles fashion in addition to disposable income. India's massive length and socio-economic and cultural range method there's no established model and consumption pattern throughout the country. Manufacturers and outlets could have to plan techniques for specific sectors and segments which they try, it might be challenging. It is a matter of debate as to whether Indian kirana stores would be able to survive in the changing market environment of today.

According to a survey with the aid of using AT Kearney US primarily based totally international control consulting firm, an remarkable share of the Rs.4,00,000 crores retail markets are unorganized in India. In reality, Rs 20,000 crore fragment of the market is organised.

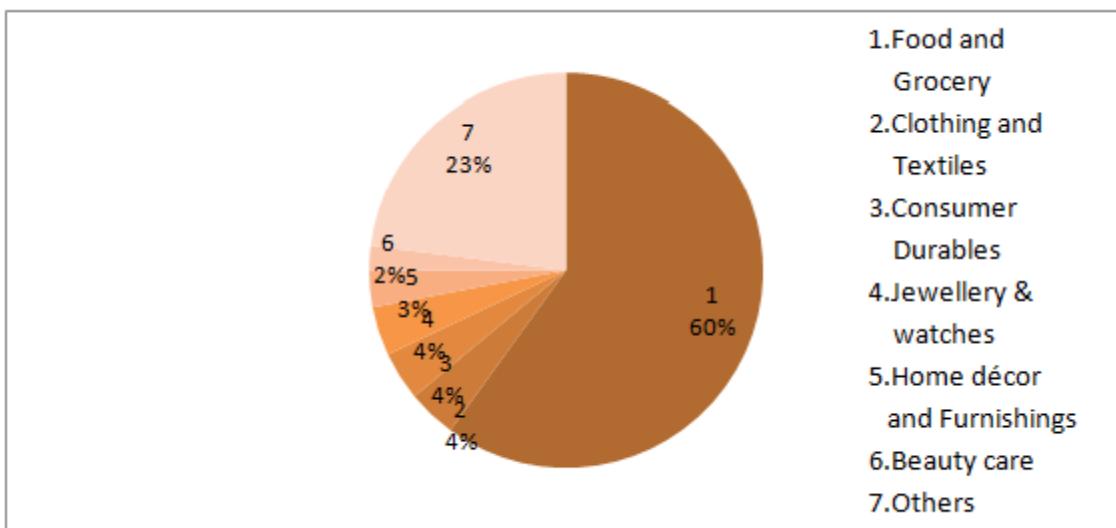
### TOTAL RETAIL MARKET SIZE IN INDIA



**Graph 1: Total Retail Market Size in India**

Source : E Marketer Year

In graph-1 the total retail market size of India is indicated. It is gradually increasing during the period under consideration. The size which was US\$ 278 billion at 2004 almost doubled in 2012. It is expected to reach a value of \$ 1000 billion in 2020 and there by offering a huge potential to retailers to exploit the opportunity.



**Graph 2: Unorganised Retail Sector (segment –Wise)**

Source: Adopted from 'Retailing' Annual Review, CRISINAC.

It is understood from graph 2 that the major share of unorganized retail was represented by 'Food and Grocery' segment (60 percent) and clothing and textiles accounted for 23 percent. All other segments have a share of less than 10 percent.

## REVIEW OF THE LITERATURE

According to Subhashini Kaul (2005) the client's happy with the store's service exceptional are most probably to stay dependable. Service first-class is being increasingly perceived as a tool to increase cost for the customer, as a way of positioning in a aggressive environment to make certain customer pleasure, retention and patronage. In spite of its strategic significance, the Indian outlets did no longer have an tool to degree carrier excellent.

Research outcomes by means of Bain & co; endorse that an growth of the client retention charge of just 5 percent makes income jump by using 25 percent.

Within the opinion of Doyle & Fenwick (1975), the fee, product range, one-stop purchasing, excellent, place of the store, advertisement, standard appearance of the shop and comfort are a number of the essential attributes looked upon by the purchasers while evaluating a grocery shop.

Fornell (1992) discovered that patron pride is lower in industries in which repeat clients face high switching charges.

Consistent with Hoyer and MacInnis (2001) happy clients shape the foundation of any a hit business as consumer pleasure ends in repeat buy, logo loyalty and tremendous word of mouth.

Coldwell (2001) "increase techniques international (GSI) accomplished a statistical evaluation of purchaser satisfaction facts encompassing the findings of over 20000 client surveys conducted in forty international locations by means of info Quest.

Vaishali Agarwal (2008) concluded that a few of the factors essential for purchaser pleasure, 'high-quality', 'handy region' and 'availability' were given the best rating in terms of their importance to the client on a five-point scale. Customers were no longer very price touchy and they did not pay greater interest to the show and ambience of the store.

Paromita Goswami et.al (2009) in their look at determined that kiranas have principal hazards on all consumer perception rankings except vicinity. Consequently there is greater possibility for the customers to shift to organised retail code's in future. Today, the commercial enterprise world revolves around customer-centric and paying big attention to patron satisfaction (Ali & Raza, 2017).

Retail Industry become focused on enormous consumer satisfaction (Yeng & Yazdanifard, 2015; Smigelska & Oczkowska, 2017)

## **OBJECTIVES OF THE STUDY**

- To study of customers satisfaction of unorganised retail stores.
- To study findings and suggestions.

## **SCOPE OF THE STUDY**

- The geographical scope is restricted to a district, i.e. Theni District of Tamil Nadu.
- Customers at home contacted.
- The customers who bought day to day household requirements, were only considered for the study.
- In respect of analytical front, preference of stores, satisfaction of customers, retail service quality, impact of organised stores and perception of retailers on major trends prevailing in retailing environment were only covered.

## **METHODOLOGY**

Satisfaction level of customer – respondents for the attributes of unorganized retail stores was measured by taking into consideration of 20 attributes. They are grouped under five heads, namely Physical Aspects, Merchandise Aspects, Service Aspects, Convenience Aspects and Promotion Aspects. The five dimension and the attributes considered under each dimension were identified by consulting the relevant literature available in this regard. The research works of Ajay Shah.D (2009), Anjali Chopra(2012), Deepak Kumar(2013), and Sujay M. Khadikar (2013) were referred and finalized for the present analysis. The Mean, Standard Deviation and Co – efficient of Variation was calculated for each variable, and the ranks were allotted based on their scores.

## **PILOT STUDY**

The pilot study was conducted in and around uthamapalayam town of the study area, Theni District. 50 customers are selected by using non-probability sampling following random sampling method. Based on pilot study the sample size for customers was deliberately pitched at 500 for this study.

## **TOOLS OF THE STUDY**

### **Mean, Standard Deviation and Co-Efficient Of Variation**

To find the satisfaction level of respondent – customers over selected 20 variables, Mean, Standard Deviation and Co-

efficient of Variation were used and the ranks were ascertained.

$$\text{Mean } X = \Sigma X / N \text{ Sum of all items / No of items}$$

$$\text{SD } \sigma = \sqrt{\Sigma X^2 / N} \text{ Square root of the sum of deviation / No of items}$$

$$\text{CV} = \sigma / X (100) \text{ Standard deviation / Mean (100)}$$

The result of the analysis is given in Table

**Table 1: Satisfaction Level of Customer – Respondents for the Attributes of Unorganised Retail Stores in the Study Area**

S. No.	Dimension	Attribute	Mean	SD	CV	Overall Rank
I	Physical Aspects	1. Stores is more visible to me	4.03	0.529	13.63(4)	7
		2. Space is compact enough	4.05	0.542	13.38(3)	6
		3. It is a best arrangement in less space	3.92	0.359	9.16(1)	1
		4. Feel convenient while shopping	4.03	0.539	13.37(2)	5
II	Merchandise Aspects	5. I trust the quality of products	3.95	0.633	16.03(3)	12
		6. It is easy to choose the products	4.03	0.529	13.63(1)	7
		7. Variety of products available	3.80	0.843	22.18(4)	17
		8. Products available adequately	3.99	0.614	15.39(2)	10
III	Service Aspects	9. My complaints attended immediately	3.96	0.582	14.70(2)	9
		10. Billing is quick and fast	4.05	0.571	14.10(1)	8
		11. Credit facility always offered	3.97	0.696	17.53(4)	15
		12. More home delivery	3.94	0.649	16.47(3)	13
IV	Convenience Aspects	13. It is easy to reach	3.92	0.415	10.59(1)	2
		14. Easy of purchasing small quantity	3.98	0.664	16.68(3)	14
		15. Orders over phone possible	3.85	0.907	23.56(4)	18
		16. Timing is more convenient	3.98	0.510	12.81(2)	4
V	Promotion Aspects	17. Concession in price offered	3.81	0.841	22.07(4)	16
		18. Discounts on big purchases offered	4.03	0.632	15.68(3)	11
		19. Always provide information about new arrival of products	4.03	0.529	13.63(2)	7
		20. Seek my opinion on product purchased now and then	3.86	0.485	12.56(1)	3

Source : Computed Data.

#### Ranks in Brackets Denotes Their Ranks in their Respective Category

Table 1 shows the overall satisfaction of level of respondents for the attributes of unorganized retail stores in the study area. Based on the CV scores, ranks are assigned to each attribute considered for the analysis. Ranks ranging are from 1 to 18 only as three attributes, namely ‘It is easy to choose products’, ‘Store is more visible’ and ‘Always provide information about new arrival of products’, have equal mean score of 13.63 and thus having the same rank of seven.

It is inferred from the analysis that out of 20 attributes considered, the respondents were highly satisfied over attributes like, ‘It is best arrangement in less space’ (Overall Rank 1), ‘It is easy to reach’ (Over all Rank 2), ‘Seek my opinion on product purchased now and then’ (Over all Rank 3), ‘Timing more convenient’ (Overall Rank 4), and ‘Feel convenient while shopping (Overall Rank 5). On attributes like, ‘Space is compacted enough’ (Overall Rank 6), ‘Stores is more visible to me’ (Overall Rank 7), ‘It is easy to choose the products’ (Overall Rank 7), ‘Always provide information about new arrival of products (Overall Rank 7)’, ‘Billing is quick and fast’ (Overall Rank 8), ‘My complaints attended

immediately' (Overall Rank 9), 'Products available adequately' (Overall Rank 10), their satisfaction level was at a modulate level as their ranks are ranging between 6 and 10. On the remaining ten attributes, their level of satisfaction may be at a lower level as their ranks are below 10.

Further, the satisfaction level of respondents on the attributes of the sub-category of dimensions clearly indicated which attribute of the dimension most influencing the satisfaction of the respondents. The most satisfying attribute in each dimension is furnished in Table 1

**Table 2: Most Satisfying Attribute in Each Dimension is Furnished**

S. No.	Dimension	Attribute	Rank
1	Stores Aspects	It is a best arrangement	1
2	Merchandise Aspects	It is easy to choose products	1
3	Service Aspects	Billing in Quick and Fast	1
4	Convenience Aspects	It is easy to reach	1
5	Promotion Aspects	Seek my opinion on product purchased now and then	1
Source : Computed from Table 2			

## DISCUSSION, SUGGESTIONS AND CONCLUSIONS

It is understood from the analysis that the overall level satisfaction of customers was highest in following unorganized retail attributes. It is a best arrangement in less space (C V Score - 9.16). It is easy to reach (C V Score - 10.59) Seek my opinion on product purchased now and then (C V Score - 12.56) Time is more convenient (12.81) Feel convenient while shopping (13.37) Though location and customer familiarity are the forte of neighbourhood Kirana stores, the regular customers should not be taken for granted. It is suggested in this regard that the retailers have to improve the customer service by attending complaints (if any) immediately, encouraging self-service, accepting orders over phone/ online.

In order to face the competition effectively in the changing retail scenario, it is suggested that the retailers have to upgrade their knowledge and retail skill by getting training either from Government or private bodies. Government may organise these training campus on free of cost.

The findings of the present study further suggest that the shopping behavior of consumers undergoing moderate changes towards unorganized retail stores in the study area. The signs are that they started adapting to the demanding situation. The small shopkeepers in cities and metros already introducing technology to remain in touch with their customers by going online. But those in hinterlands like study area may require sometime to fall in line with the modern trends.

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